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C O N F I D E N T I A L SECTION 01 OF 02 TEL AVIV 001334

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TAGS: [PGOV](#) [PINR](#) [IS](#)
SUBJECT: NEAR-TERM KNESSET DISSOLUTION UNLIKELY
REF: TEL AVIV 1333

Classified By: Acting DCM William Weinstein. Reason 1.5 (B/D).

¶1. (C) Summary: The Knesset is scheduled to hold its first vote on Likud MK Silvan Shalom's bill to dissolve the Knesset on June 25. Labor and Shas party leaders have indicated that their parties will vote in favor of this preliminary reading of Shalom's bill, but most political observers think that this vote will merely constitute a "warning shot" aimed at pressuring PM Olmert and his Kadima Party to move ahead with plans to organize a party primary rather than a sign that general elections are in the immediate offing. This tactic has already succeeded in securing a Kadima commitment to hold a primary. Labor Party Chairman Ehud Barak told the Ambassador June 15 he is in no hurry to force general elections. While the Likud dissolution motion may win a majority on the 25th, it will, in our view, remain stuck in committee debate and wrangling at least until the cross-examination of Morris Talansky on July 17. In the meantime, Kadima ministers Livni and Mofaz are busy readying themselves for a party primary fight. End Summary.

How a Bill becomes Law

¶2. (U) The June 25 vote will mark the first time that MK Silvan Shalom has put his bill forward for a vote. If his bill fails to pass in the preliminary or any subsequent readings of the bill, another vote on dissolving the Knesset cannot be held for six months. Likud is confident of the support of 38 opposition votes (Likud -12, Yisrael Beiteinu -11, National Religious Party - 9; United Torah Judaism - 6), and the leaders of the Labor (19 seats) and Shas (12 seats) parties have announced their intention to support the bill. Several Kadima MK's are likely to break ranks with the Prime Minister as well, though a potentially larger number of Labor MK's have announced that they will not support Party Leader Barak's call to vote for the resolution to dissolve the Knesset at this time. The Arab parties in the opposition have indicated that they will not vote to dissolve the Knesset, a move that they fear would hasten the return of Netanyahu to power. Both factions of the Pensioners party will vote against dissolution, as new elections will not return them to office, according to a party aide. In short, the alignment is currently stacked against the coalition in this impending vote, but Vice Premier and Kadima Party maestro, Haim Ramon, has been busy in the Knesset trying to shore it up.

¶3. (U) A bill such as Shalom's must pass the preliminary reading and an additional three "official" readings before it becomes law. If it passes (by simple majority of members present) on the preliminary reading, it will be referred to the Law Committee for further review. Given the sensitivity of a dissolution motion, the House Committee may also elect to review the bill as well. The Kadima heads of both committees have already indicated their interest in the bill, which could lead to extended wrangling before coming out of

committee. By tradition, the second and third official readings of a private member's bill are held in the same plenary session, although two distinct votes are still required (one by simple majority of members present, and the final reading by an absolute majority of 61 votes).

Talansky II, then Kadima Primaries

¶4. (C) Most observers anticipate that Olmert will specify a Kadima primary date only after his lawyers cross-examine Talansky on July 17, at which point he will be able to judge whether he enjoys sufficient political and public viability to retain control of Kadima. FM Tzipi Livni, who is currently significantly more popular than the PM and enjoys positive polling on par with Opposition Leader Binyamin Netanyahu, is reportedly eager for early primaries, but Mofaz, her strongest competitor for Kadima leadership, is busy recruiting party members and appears to be in no hurry to oust Olmert (reftel). A mid-June Yediot Ahronoth poll of Kadima supporters indicates that Livni would command 39 percent of the party vote, a figure that is slightly less than her polling among the broader Israeli public. Mofaz, however, does significantly better within the party, where he is polled as capturing 25 percent (versus only 16 percent among the general public). Knesset contacts attribute Mofaz's party strength to his efforts to cultivate local contacts, particularly in the Arab sector, though Mofaz told the Ambassador on June 19 that it was very hard to recruit new supporters for Kadima (while Olmert remains as the party leader).

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¶5. (C) A Livni confidante told A/DCM June 19 that Livni's best opportunity to win the Kadima primary is on her strong reputation as a "clean" leader. However, the Kadima party machine and decision-making still remains in the hands of Olmert's people (namely Vice Premier Ramon and former Finance Minister Avraham Hirschson). And Olmert has indicated he intends to run in the primaries -- a move that most observers believe is aimed to keep him politically viable through the July 17 cross-examination. Indeed, should Olmert decide to remain in the race he could still win -- no matter how poor his polling, according to one Kadima source.

Barak Not Eager for Elections Now

¶6. (C) Labor Party MK's and staff told A/PolCouns that Barak's preferred outcome of the current political storm is to secure a change in government without general elections. The Acting Kadima Faction chairman, MK Yoel Hasson, told A/PolCouns that while he did not rule out a change in leadership, he was not betting on general elections in the fall of 2008. If Livni were to take over, she would remain in power for the remainder of the current term of the Knesset (2010) -- enough time for her bubble (of popularity) to burst, as one Labor parliamentary aide put it. Another Labor source speculated that if Mofaz took the helm, this would allow Barak to mount a more effective center-left challenge to a Likud-leaning Kadima bloc in subsequent elections. If Olmert still holds the reins of the Kadima party after the summer Knesset session, then Barak will face a difficult choice: to renege once again on his call for change or to plunge precipitously to general elections he is unlikely to win.

Legal Speed?

¶7. (C) On the legal track, Dubi Weissglas told the Ambassador June 16 that even though Attorney General Meni Mazuz has instructed investigators to move head expeditiously

on the Talansky investigation, the legal process, which could lead to an indictment, will take at least three-to-five months and will thus be unlikely to outpace political developments.

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